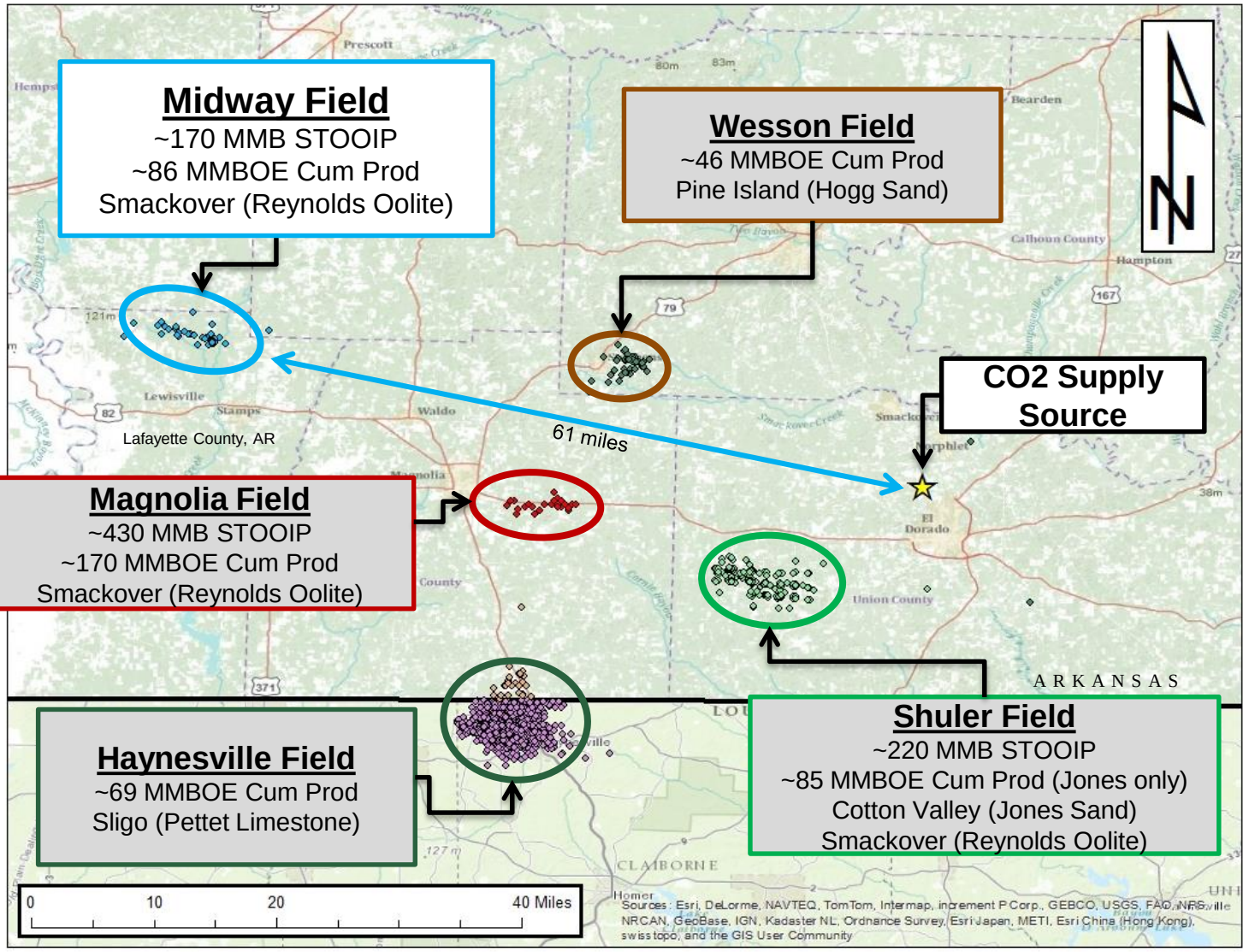
Midway Opportunity Overview

October 2016

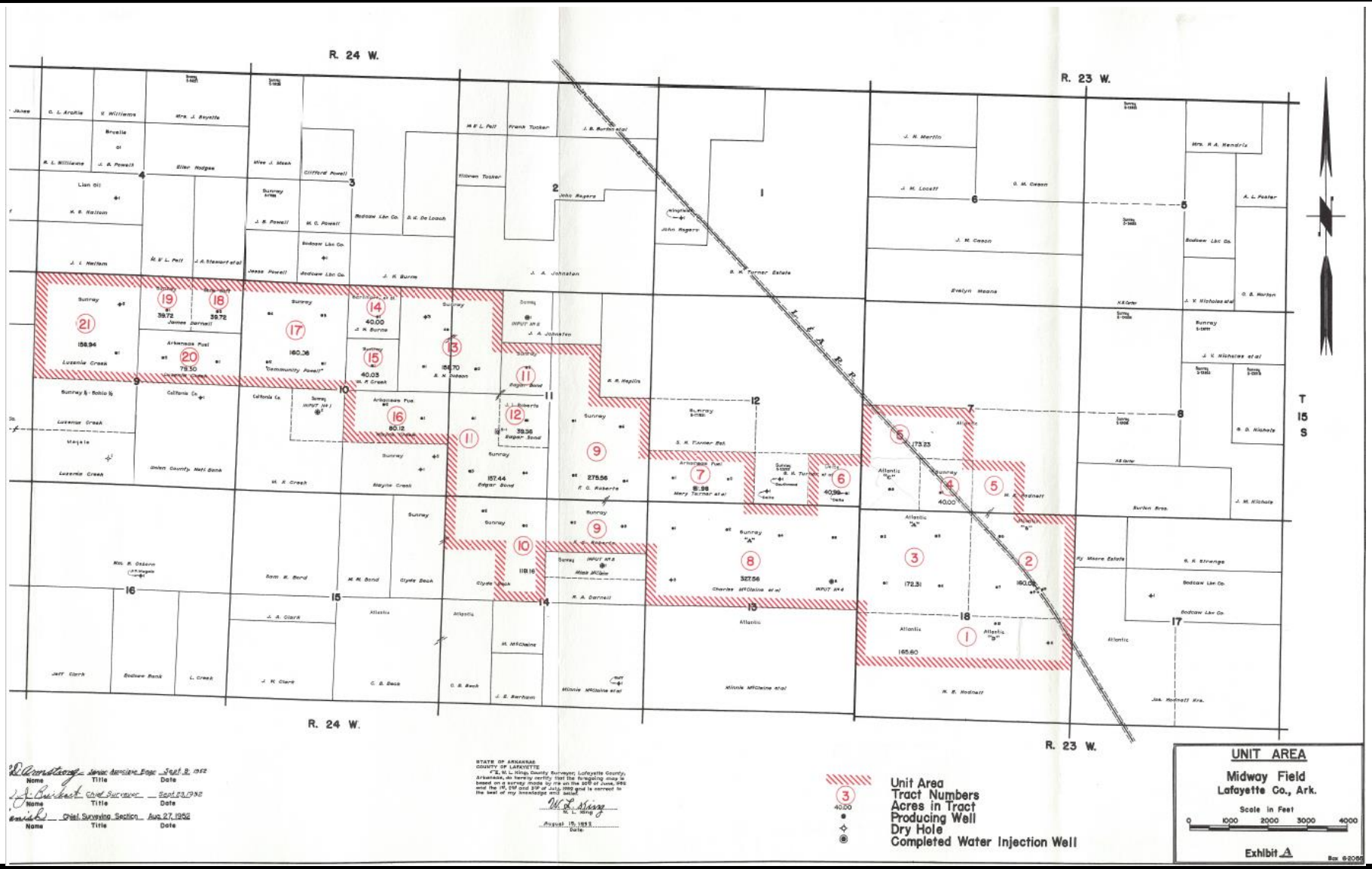
Overview of Midway Field

- Located in Lafayette County, Arkansas
- ~155 BOPD production (35° API)
- Recovery to date: ~86 mmstb (51% of OOIP) via waterflood
  - Excellent reservoir connectivity
  - Pressure maintenance water injection commenced May 1943
- Field generates positive cash flow
- ~83% NRI ; 97% WI; Operator of Unit
  - includes ~9% NRI / 10% WI via non-consents on 2015 capex
- Attractive CO_2 EOR Development (40+ mmstb) planned
  - Reservoir simulation (w/ history match) indicates high performance CO_2 flood
  - Attractive project economics at current oil price
  - Development plan ready; reservoir pressure already above miscibility
  - CO_2 supply contracted at attractive price

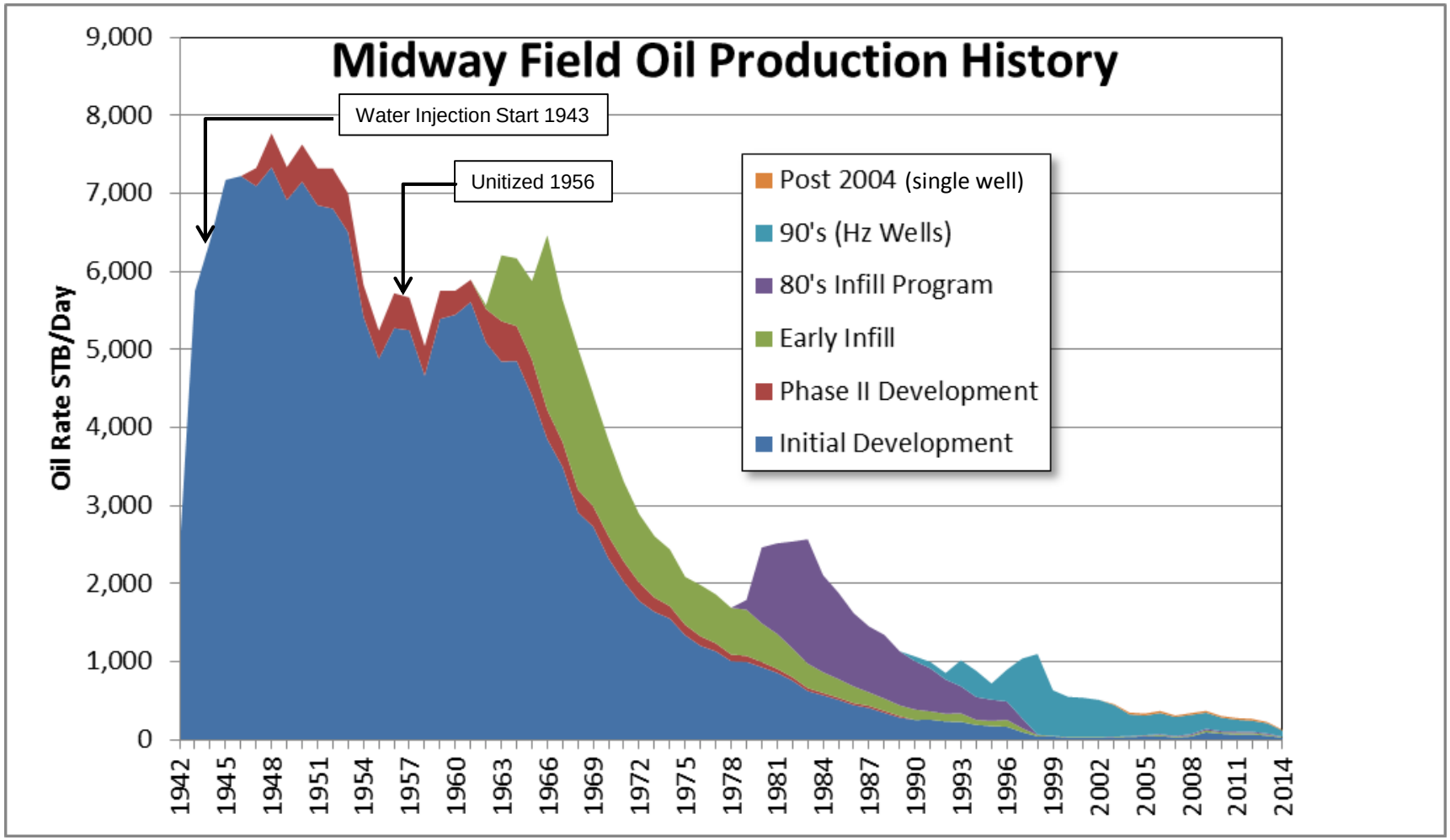
Midway Field Location



Midway Unit


R. 24 W.
R. 23 W.
T 15 S
UNIT AREA
Midway Field
Lafayette Co., Ark.
Scale in Feet
0 1000 2000 3000 4000
Exhibit A
Unit Area
Tract Numbers
Acres in Tract
Producing Well
Dry Hole
Completed Water Injection Well

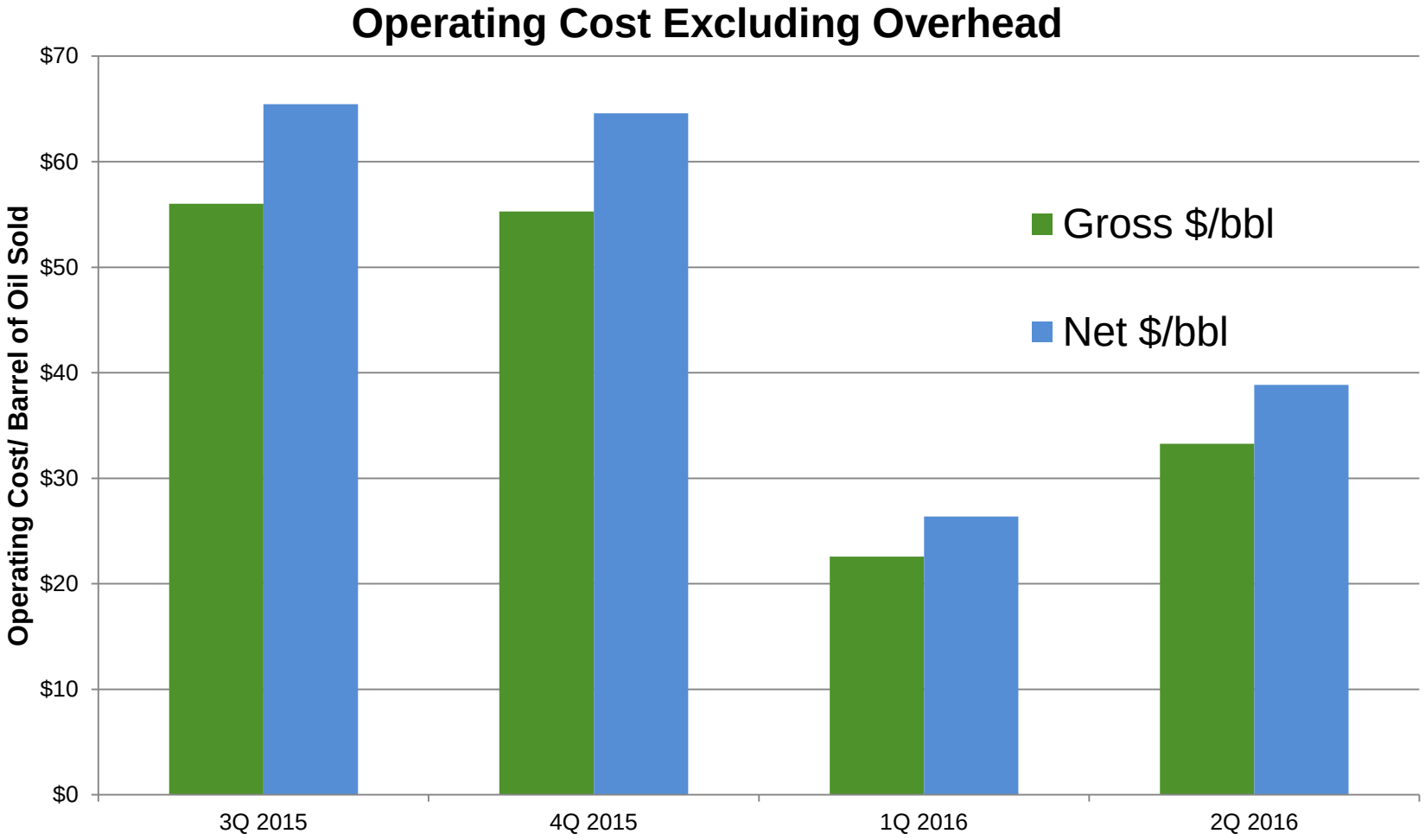
Midway Field Oil Production History



Midway Field – Current Status

- Currently producing ~155 bbl/day of 35° API Oil from Smackover carbonate
- Produced under waterflood since early in field life
  - Cumulative production 86 million bbls
  - Performance indicates excellent reservoir connectivity and conformance.
  - Reservoir Pressure maintained over field life
  - Waterflood recovery to date is 51% of OOIP
  - Waterflood performance history-matched in full-field reservoir simulator
- Operating Costs Reduced Significantly
  - Optimized WF by reducing water injection volumes
  - Repairs done by staff rather than contractors
- 101 wells:
  - 28 Producing; 27 Water Injection
  - 41 Shut-in for low oil prices or watered out; 5 Shut-in for mechanical integrity

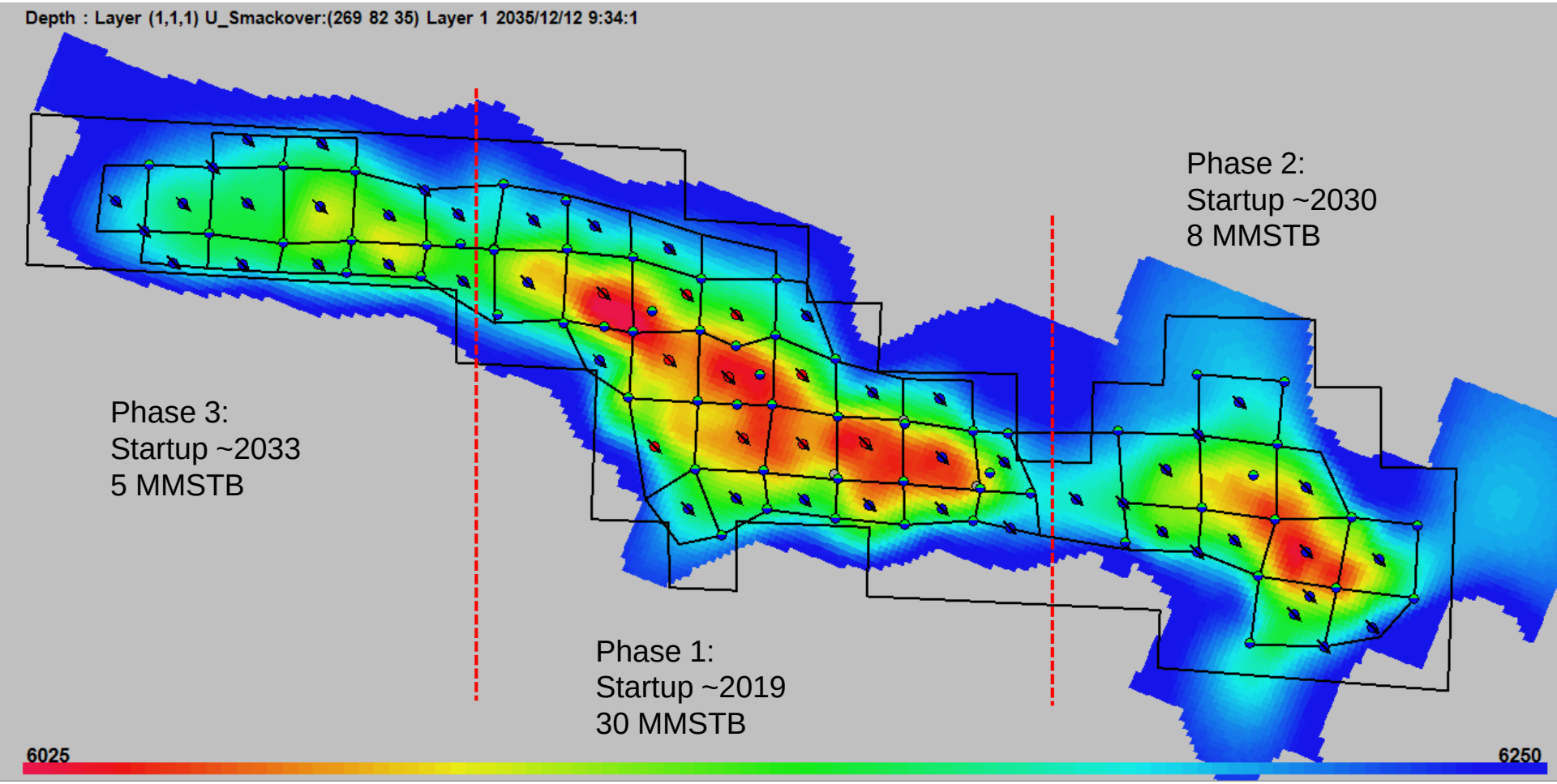
Reducing Expenses



Attractive CO_2 Development Opportunity

- > 40 MMSTB (gross) EOR oil reserves potential
- Attractive economics at current strip pricing
  - IRR >25%
  - MOIC >6
  - F&D/BOE ~ $5/bbl (NAR)
- Current reservoir pressure exceeds miscibility pressure
- Oil Quality: Proven miscibility with CO_2
- Significant CO_2 EOR oil target established by chemical tracer test, core data, cased-hole logging; validated with simulation history match
- Historical waterflood performance demonstrates excellent reservoir connectivity and conformance.
- CO_2 EOR Development plan ready
- Secure CO_2 supply contracted at attractive prices

CO_2 EOR (WAG Flood) Development Plan



CO2 EOR Development Schedule

ARKANSAS MIDWAY CO2 PROJECT

Project Timeline

* Phase 2 and 3 Wellwork (Post 2030) cost ~ $25 MM

Months →	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32
CO2 Supply Pipeline: Design & Build ($21 MM)																																
Pipeline Row, Survey, Environmental																																
Engineering																																
Procurement																																
Construction																																
CO2 Supply Capture Facility: Design & Build ($23 MM)																																
Engineering																																
Procurement																																
Construction																																
Processing & In-Field Facilities: Design & Build ($62 MM)																								Additional $16 MM spend after 2028 →								
Engineering																																
Procurement																																
Construction																																
Drilling and Completion Phase I ($23 MM)																																
Initial Phase I Wells (Drill & Complete)																																
Post-Startup Phase I Wells																																
Commissioning and Startup																																
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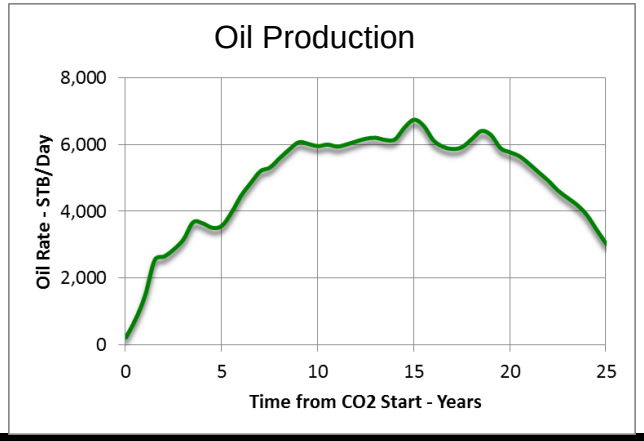
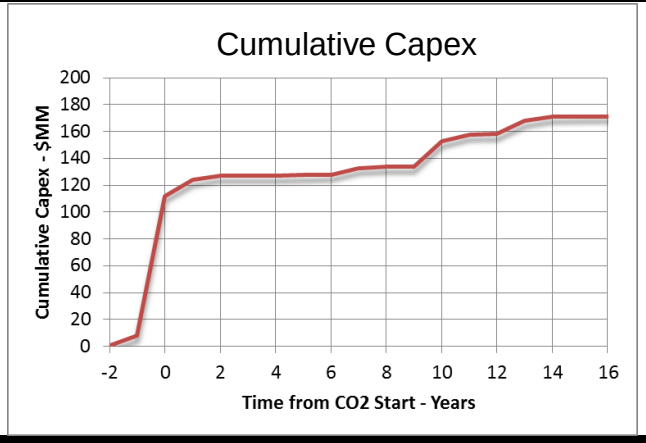
CO2 Injection Begins																							◊									
EOR Production Begins																													★			





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